

Special Session

Agenda Item #	5
Meeting Date	2 July 2007
Prepared By	Sara Anne Daines HCD Director
Approved By	Barbara B. Matthews City Manager

Discussion Item	Resolution Consenting to Purchase and Operation of 7423, 7425 and 7427 Aspen Court by the Montgomery County Housing Opportunities Commission.
Background	<p>During its June 18, 2007 worksession, the Council learned of the Housing Opportunities Commission's interest in purchasing, under its right of first refusal, the property located at 7423, 7425, and 7427 Aspen Court. The building, located in Ward 2, contains 16 units and is currently vacant.</p> <p>HOC's Assistant Director of Real Estate Development, Mr. Peter Engel, provided the Council with information on the two development scenarios being considered by the agency. The first would require the substantial renovation of the building with the property to remain on the rental market. Income restrictions would be placed on 40% or more of the units, while the balance of the units unrestricted. The second scenario would be to renovate the project for sale as workforce condominiums with the units priced accordingly.</p> <p>Following the presentation, the Council expressed its support of the options outlined by Mr. Engel and encouraged the agency to proceed with the purchase of the building. The accompanying resolution formalizes the Council's support of the project.</p>
Policy	<p>"The City Council of the City of Takoma Park supports the provision, enhancement, and protection of affordable housing opportunities throughout our community for all of our citizenry. Working in cooperation with our residents, community leaders, and housing providers, we will provide staff resources and, when available, financial assistance to programs and projects which further our affordable housing goals."</p> <p style="text-align: right;">City of Takoma Park Affordable Housing Policy and Action Plan (2002)</p>
Fiscal Impact	N/A
Attachments	<ol style="list-style-type: none"> 1. Proposed Resolution Consenting to the Purchase and Operation of 7423, 7425 and 7427 Aspen Court by the Housing Opportunities Commission. 2. Letter of Support for Proposed Purchase (June 19, 2007)
Recommendation	To approve the accompanying resolution

**Special
Consideration**

A letter advising Montgomery County of the City's support of the proposed purchase was prepared as directed by the Council following the June 18 worksession. The letter noted that the accompanying resolution would be considered by the Council on July 2 and, assuming its adoption, would be forwarded following the meeting.

Introduced By:

**CITY OF TAKOMA PARK, MARYLAND
RESOLUTION NO. 2007 - _____**

**Consent to Purchase and Operation of
7423, 7425 and 7427 Aspen Court, Takoma Park
by the Housing Opportunities Commission**

- WHEREAS,** the City of Takoma Park is a municipal corporation chartered under Article 23A of the Annotated Code of Maryland; and
- WHEREAS,** as a City chartered under that authorization, the City of Takoma Park is authorized to establish a housing authority under the provisions of Division II of the Housing and Community Development Article of the Annotated Code of Maryland; and
- WHEREAS,** 7423, 7425 and 7427 Aspen Court (the “Property”) are vacant apartment facilities located within the territorial boundaries of the City of Takoma Park; and
- WHEREAS,** the owner of the Property has entered into a Contract of Sale (the “Contract of Sale”) for its purchase and sale; and
- WHEREAS,** the Housing Opportunities Commission of Montgomery County (the “Commission”) is the housing authority for Montgomery County whose area of operation is the entire territorial limits of Montgomery County except for cities for which a housing authority may be created within such boundaries, unless the governing body of the city consents to its inclusion in the area of operation; and
- WHEREAS,** the Commission has advised that it intends to exercise its right of first refusal to purchase the Property pursuant to Chapter 53A of the Montgomery County Code on the same terms as the Contract of Sale and own operate the Property in its own name upon completion of compliance with provisions of the Contract of Sale; and
- WHEREAS,** the City recognizes the benefits and advantages of permitting the Commission to operate Property because of its expertise and knowledge in management of affordable housing of like style in other parts of the County; and
- WHEREAS,** the acquisition by the Commission and its continued operation of the Property will allow it to be renovated and operated for the benefit of low and moderate income persons, many of whom have been longtime residents of the City.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Takoma Park, that it consents to the acquisition and operation of the Property by the Housing Opportunities Commission, a building within its territorial boundaries, that this consent shall be applicable only to the Property, and that the Commission shall apply to the City for approval of any subsequent acquisitions within the territorial boundaries of the City of Takoma Park.

Approved this _____ day of _____ 2007.

ATTEST:

Jessie Carpenter, City Clerk

City of Takoma Park, Maryland



Office of the Mayor

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7500 Maple Avenue
Takoma Park, MD 20912

The Honorable Kathryn H. Porter, Mayor

June 19, 2007

Mr. Peter Engel
Assistant Director, Real Estate Development
Housing Opportunities Commission
3930 Knowles Avenue, 1st Floor
Kensington, Maryland, 20895-2484

Re: 7423, 7425 and 7427 Aspen Court

Dear Mr. Engel:

On Monday, June 18, 2007, the Takoma Park Council learned of the Housing Opportunities Commission's interest in pursuing the purchase of a sixteen (16) unit vacant rental property located at 7423, 7425 and 7427 Aspen Court. The Council strongly supports this effort, as the goals and the objections of the Housing Opportunities Commission are consistent with Takoma Park's Affordable Housing Plan, which is to retain affordable rental units in the community and to provide home ownership opportunities for low to moderate income families.

Recognizing that we will not be meeting again before the end of the month due to a Maryland Municipal League Conference being held during the week of June 25, I have been authorized by the Council to provide this letter of support for the purchase and redevelopment of 7423, 7425 and 7427 Aspen Court by the Housing Opportunities Commission. This endorsement will be formalized with the adoption of the attached Resolution on Monday, July 2, 2007.

We thank you for your continued interest in preserving affordable housing units in Takoma Park and we look forward to working with you on this project and others in the future.

Sincerely,

/s/

Kathy Porter
Mayor